



## DISCLOSURE OF THE USE OF DESIGNATED REPRESENTATIVES

The undersigned do hereby acknowledge disclosure that:

\_\_\_\_\_ (Name of Firm and Licensee)

represents more than one party in this real estate transaction as indicated:

Seller(s) and Buyer(s) or  Landlord(s) and Tenant(s)

The undersigned understand that the foregoing dual representative may not disclose to either client or such client's designate representative any information that has been given to dual representative by the other client within confidence and trust of the brokerage relationship except for that information which is otherwise required or permitted by Article 3 (§54.1-2130 et seq.) of Chapter 21 of Title 54.1 of the Code of Virginia to be disclosed. The undersigned by signing this notice do hereby acknowledge their informed consent to the disclosed dual representation by the licensee named above.

The principal or supervising broker has assigned \_\_\_\_\_ to act as Designated Representative for the one party as indicated:

Seller(s) or  Landlord(s)

and \_\_\_\_\_ to act as Designated Representative for the other party as indicated:

Buyer(s) or  Tenant(s)

\_\_\_\_\_/\_\_\_\_\_  
Date Signature (Seller/Landlord)

\_\_\_\_\_/\_\_\_\_\_  
Date Signature (Buyer/Tenant)

\_\_\_\_\_/\_\_\_\_\_  
Date Signature (Seller/Landlord)

\_\_\_\_\_/\_\_\_\_\_  
Date Signature (Buyer/Tenant)

## THE LICENSEE'S DUTIES

A licensee may have a contractual agreement to represent a client, who is commonly referred to as the "principal". A licensee owes certain duties to his principal, as defined in the duties of a standard agent as set out in Virginia law or as otherwise agreed to in writing by the parties. A licensee who is not representing you in a transaction can nonetheless provide you other valuable information and assistance. However, you should always keep in mind whom the licensee represents in your transaction, and thus to whom that licensee owes the duties described above.

### WHOM DOES THE LICENSEE REPRESENT?

In any real estate transaction, a licensee may represent the seller, the buyer, or, under certain circumstances, both seller and buyer.

#### **The Seller**

A licensee may represent a seller under a listing agreement, in which case the licensee owes his primary responsibilities to the seller. The listing agreement may authorize the listing firm to list the property with a multiple listing service and to cooperate with other licensees. These cooperating licensees, who frequently work for other firms, may operate under an agreement of subagency with the listing firm, in which case they also owe their primary responsibilities to the seller. Buyers working with a licensee should be aware that the licensee may be a subagent of the listing firm and thus representative of the seller.

#### **The Buyer**

A licensee and a buyer may enter into an agreement by which the licensee agrees to represent the interests of the buyer. A buyer's representative must repudiate any subagency offered by a listing firm and must disclose his relationship with the buyer whenever dealing with the seller or seller's

representative.

**The Buyer and  
The Seller**

A licensee, either acting directly or through one or more of the real estate company's other licensees, may be the representative of both the buyer and the seller in a particular transaction, but only with the informed written consent of both the buyer and the seller. A licensee representing both the buyer and seller will necessarily be limited in his ability to represent either buyer or seller fully and exclusively. The licensee must safeguard the confidentiality of any information obtained within the confidentiality and trust of the brokerage relationship, unless disclosure of such information is required by law. Specifically, the licensee must not tell the buyer that the seller will accept a price lower than the listing price, nor tell the seller that the buyer will pay a price higher than the price offered.

**Designated  
Representatives**

Virginia law also permits a principal or supervising broker to assign different licensees affiliated with the broker as designated representatives to represent different clients in the same transactions. Unlike the dual representative discussed in the previous paragraph, these designated representatives represent only the interest of their respective clients, and may therefore represent those interest more fully. The principal or supervising broker who is supervising the transaction will be considered dual representative of both seller and buyer. Designated representatives may not disclose, except to their broker, personal or financial information received from the clients during the brokerage relationship and any other information a client requests to be kept confidential, unless required by law to be disclosed or the client consents to its disclosure in writing.

## **THE PRINCIPAL'S RESPONSIBILITIES**

Representation by a licensee in a real estate transaction does not relieve sellers and buyers from the fundamental responsibility to protect their own interest. A buyer should take all reasonable steps to determine the condition of the property the buyer is purchasing, and all parties should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate licensee is qualified to advise about real estate, but if you need legal or tax advice, you should consult a competent professional.

A principal should ensure that any existing brokerage relationship is disclosed to other principals and their representatives. A buyer should also consult the buyer's representative before visiting any resale or new homes or contacting any other licensees to avoid the possibility of confusion over brokerage relationships.

You might receive more than one disclosure form, depending upon the number of licensees assisting in the transaction. The law may require a licensee with whom you have substantive discussions about specific property, and with whom you do not have a brokerage relationship, to present you with a written disclosure. You should read its contents each time it is presented to you and you should consider the relationship between you and the licensee in your specific transaction.

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